

# *California Labor Market Review*

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# California

## Labor Market Review

December 2004

### Quick Facts:

(Data are Seasonally Adjusted)

#### CA Unemployment Rate

December 2004	5.8%
November 2004	5.8%
December 2003	6.5%

#### U.S. Unemployment Rate

December 2004	5.4%
November 2004	5.4%
December 2003	5.7%

#### CA Nonfarm Employment

December 2004	14,568,900
Month Over Change	-0.2%
Year Over Change	1.1%

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California Labor Market Review is a monthly publication of the California Employment Development Department's Labor Market Information Division (LMID). For additional labor market information and this publication in PDF format, please visit LMID's web site at:

[www.labormarketinfo.edd.ca.gov](http://www.labormarketinfo.edd.ca.gov)

The California unemployment rate remained unchanged at 5.8 percent in December. California's nonfarm payrolls lost 25,000 jobs in December, following a 18,300-job gain in November, and a 42,400-job gain in October. Construction (up 5,300) gained the most jobs in December, while trade, transportation and utilities (down 16,400) lost the most jobs among the major industry sectors. (Data are seasonally adjusted.)

### California Labor Force Trends (Thousands of Persons, Seasonally Adjusted)

LABOR FORCE STATUS	YEAR AGO Dec 03	MONTH AGO Nov 04	CURRENT Dec 04	MONTH-OVER CHANGE		YEAR-OVER CHANGE	
				Number	Percent	Number	Percent
		Revised	Preliminary				
Population	26,707	27,125	27,162	37	0.1%	455	1.7%
Labor Force	17,487	17,777	17,745	-32	-0.2%	258	1.5%
Employment	16,347	16,745	16,723	-22	-0.1%	376	2.3%
Unemployment	1,140	1,032	1,022	-10	-1.0%	-118	-10.4%
Unemployment Rate (%)	6.5	5.8	5.8	0.0	----	-0.7	----
LF Participation Rate (%)	65.5	65.5	65.3	-0.2	----	-0.2	----

Note: All data are for the civilian, noninstitutional population, 16 years and older. "LF" is labor force. Data may not add due to rounding. The unemployment rate is calculated using unrounded data.

Source: EDD, Labor Market Information Division, BLS Labor Force Model.

### Business Cycle Trends in California Labor Force (Thousands of Persons, Seasonally Adjusted)

LABOR FORCE STATUS	EXPANSION PEAK (*) Mar 01	RECESSION LOW (P) Nov 01	CURRENT MONTH Dec 04	California Change During U.S. Recession		California Change During U.S. Expansion	
				Number	Percent	Number	Percent
			Preliminary				
Population	25,447	25,762	27,162	315	1.2%	1,400	5.5%
Labor Force	17,114	17,279	17,745	165	1.0%	466	2.7%
Employment	16,295	16,205	16,723	-90	-0.6%	518	3.2%
Unemployment	819	1,074	1,022	255	31.1%	-52	-6.3%
Unemployment Rate (%)	4.8	6.2	5.8	1.4	----	-0.4	----
LF Participation Rate (%)	67.3	67.1	65.3	-0.2	----	-1.8	----

Note: All data are for the civilian, noninstitutional population, 16 years and older. "LF" is labor force. Data may not add due to rounding. The unemployment rate is calculated using unrounded data.

(\*) Date of expansion peak and recession low are those established by the National Bureau of Economic Research.

(P) The U.S. recession ended November 2001. In announcing the November 2001 date, NBER reserved the right to revise the reference date as a result of future data revisions and changing economic environment. Thus, the November date must be viewed as preliminary.

Source: EDD, Labor Market Information Division, BLS Labor Force Model.

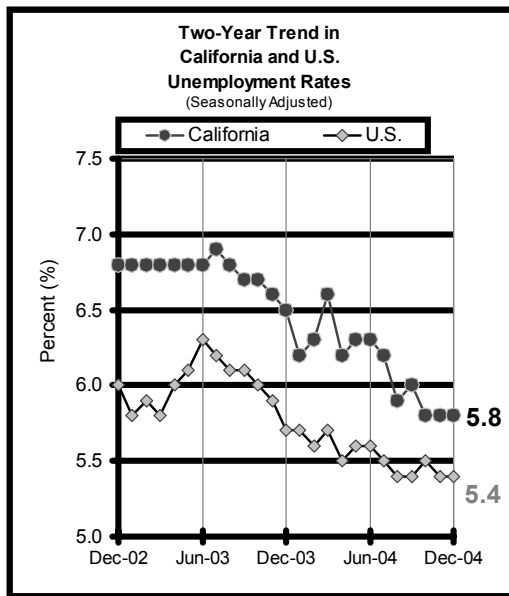
### U.S. Labor Force Trends (Thousands of Persons, Seasonally Adjusted)

LABOR FORCE STATUS	YEAR AGO Dec 03	MONTH AGO Nov 04	CURRENT Dec 04	MONTH-OVER CHANGE		YEAR-OVER CHANGE	
				Number	Percent	Number	Percent
		Preliminary	Preliminary				
Population	222,509	224,422	224,640	218	0.1%	2,131	1.0%
Labor Force	146,808	148,313	148,203	-110	-0.1%	1,395	1.0%
Employment	138,409	140,293	140,156	-137	-0.1%	1,747	1.3%
Unemployment	8,399	8,020	8,047	27	0.3%	-352	-4.2%
Unemployment Rate (%)	5.7	5.4	5.4	0.0	----	-0.3	----
LF Participation Rate (%)	66.0	66.1	66.0	-0.1	----	0.0	----

Note: All data are for the civilian, noninstitutional population, 16 years and older. "LF" is labor force. Data may not add due to rounding. The unemployment rate is calculated using unrounded data.

Source: U.S. Bureau of Labor Statistics, "U.S. Employment Situation" News Release, Table A-1.

# Unemployment Rate Gap Between California and U.S.



- California's seasonally adjusted unemployment rate was 5.8 percent in December, unchanged from the revised rate in November, and down 0.7 percentage point from one year ago.
- In comparison, the U.S. unemployment rate was 5.4 percent in December, unchanged from the rate in November, and down 0.3 percentage point from one year ago.
- Civilian employment dropped 22,000 in December to 16.7 million persons, following a revised 27,000-person increase in November. On a year-over basis, civilian employment was up 376,000 persons, or 2.3 percent. This was much more than the year-over change in nonfarm payroll employment, which rose 1.1 percent.
- Unemployment decreased 10,000 in December to 1.0 million. This followed a revised decrease of 1,000 persons in November. The number of unemployed was down 118,000 persons (10.4 percent) from December 2003. The California civilian labor force was down 32,000 persons in December.

## Employment Status and Unemployment Rates vary among Demographic Groups

By race and ethnicity, the December 2004 unemployment rate for blacks was 10.6 percent, Hispanics 8.1 percent, and whites 5.9 percent. Rates for blacks and Hispanics were lower than in November.

By age group, the unemployment rate was highest for Californians aged 16 to 19 years, at 20.8 percent. The rates for the five age groups 20 to 64 years ranged from 9.8 percent to 4.5 percent. Unemployment rates were lower compared to December 2003 for all ages except persons aged 16-19 years.

### Employment Status by Demographic Group, California

(Data are Not Seasonally Adjusted, 12-month Moving Average)

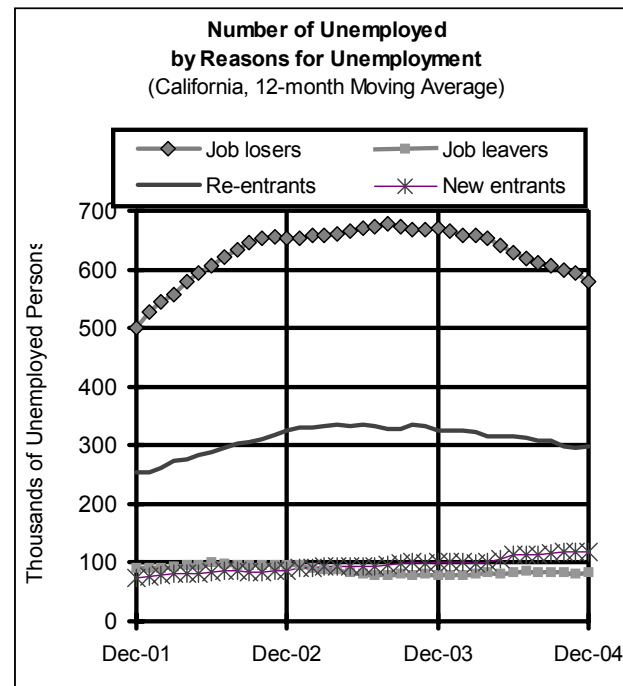
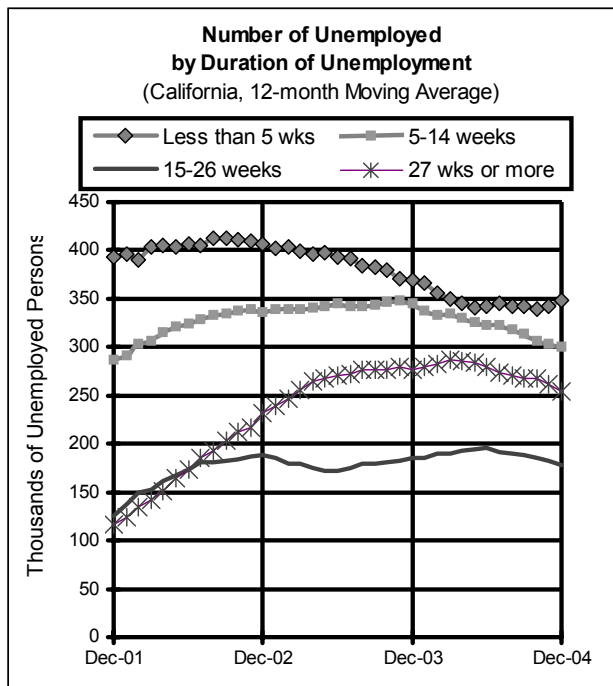
Employment Status	Dec-03	Oct-04	Nov-04	Dec-04
(Number in Thousands)				
<b>Total, Age 16+</b>				
Labor Force	17,573	17,657	17,672	17,669
Employed	16,392	16,542	16,571	16,577
Unemployed	1,181	1,115	1,101	1,091
Unemployment Rate	6.7%	6.3%	6.2%	6.2%
<b>Male, Age 16+</b>				
Labor Force	9,662	9,733	9,750	9,756
Employed	8,987	9,093	9,122	9,137
Unemployed	676	640	628	618
Unemployment Rate	7.0%	6.6%	6.4%	6.3%
<b>Female, Age 16+</b>				
Labor Force	7,911	7,924	7,922	7,913
Employed	7,405	7,450	7,448	7,440
Unemployed	505	475	473	473
Unemployment Rate	6.4%	6.0%	6.0%	6.0%
<b>Both Sexes, Age 16-19</b>				
Labor Force	744	747	750	756
Employed	604	594	594	599
Unemployed	140	153	156	157
Unemployment Rate	18.9%	20.5%	20.8%	20.8%
<b>White, Age 16+</b>				
Labor Force	13,722	13,754	13,758	13,752
Employed	12,886	12,928	12,940	12,937
Unemployed	836	826	818	815
Unemployment Rate	6.1%	6.0%	5.9%	5.9%
<b>Nonwhite, Age 16+</b>				
Labor Force	3,851	3,903	3,914	3,917
Employed	3,506	3,614	3,631	3,640
Unemployed	345	289	283	276
Unemployment Rate	9.0%	7.4%	7.2%	7.1%

Note: The sum of employment and unemployment may not exactly add to the amount of labor force, due to rounding on a 12-month moving average.

Source: U.S. Bureau of Labor Statistics, Current Population Survey.

# California Unemployment by Reason and Duration

- Job losers comprised the largest group of unemployed persons categorized by reason (580,000 persons or 53.7 percent of all unemployed). Labor force re-entrants are the next largest reason group, accounting for 299,000 unemployed persons in December. New entrants showed an increase over the past year, rising by 17,000 persons or 16.8 percent.
- By duration, the largest group of unemployed was those who had been unemployed less than five weeks (348,000 persons or 32.2 percent of all unemployed). Over the past year, the number of those unemployed for 5 to 14 weeks decreased 46,000 (13.3 percent). The number of persons unemployed 27 weeks or more, decreased 22,000 (8.0 percent) since December of last year. Those unemployed for 27 weeks or more accounted for less than one out of four of all unemployed persons.



## Unemployment by Duration, California

(Number and Percent of Persons Unemployed, 12-month Moving Average)

DURATION	YEAR AGO	MONTH AGO	CURRENT	MONTH-OVER CHANGE		YEAR-OVER CHANGE	
	Dec 03	Nov 04	Dec 04	Number	Percent	Number	Percent
	<i>Revised</i>		<i>Preliminary</i>				
<b>Number (1,000s)</b>	1,177	1,090	1,080	-10	-0.9%	-97	-8.2%
Less than 5 weeks	369	343	348	5	1.5%	-21	-5.7%
5 to 14 weeks	346	304	300	-4	-1.3%	-46	-13.3%
15 to 26 weeks	185	182	178	-4	-2.2%	-7	-3.8%
27 weeks and over	276	261	254	-7	-2.7%	-22	-8.0%
<b>Percent of Unemployed (%)</b>				Pct Points		Pct Points	
Less than 5 weeks	31.4%	31.5%	32.2%	0.7	----	0.8	----
5 to 14 weeks	29.4%	27.9%	27.8%	-0.1	----	-1.6	----
15 to 26 weeks	15.7%	16.7%	16.4%	-0.3	----	0.7	----
27 weeks and over	23.5%	24.0%	23.5%	-0.5	----	0.0	----

Note: Detail may not add to total due to rounding.

Source: EDD, Labor Market Information Division, BLS Model and Current Population Survey (CPS).

## Full-time and Part-time Employment

- Four out of five (82.2 percent) of employed Californians usually work full-time (35 hours or more per week in all jobs).
- There were 657,000 persons who worked part-time involuntarily, also known as "part-time for economic reasons." They comprised 4.0 percent of all employees at work during the survey week. The number of persons who worked part-time for economic reasons decreased 1,000 from December 2003.

### Full-time and Part-time Employment by Usual Work Schedule, California

(Number and Percent of Employed Persons, 12-month Moving Average)

WORK SCHEDULE	YEAR AGO	MONTH AGO	CURRENT	MONTH-OVER CHANGE		YEAR-OVER CHANGE	
	Dec 03	Nov 04	Dec 04	Number	Percent	Number	Percent
	<i>Revised</i>		<i>Preliminary</i>				
<b>Number</b> (1,000s)	16,283	16,545	16,576	31	0.2%	293	1.8%
<b>Usual Work Week Schedule</b>							
Usually full-time	13,405	13,603	13,626	23	0.2%	221	1.6%
Usually part-time	2,878	2,942	2,950	8	0.3%	72	2.5%
<b>Percent of Employed (%)</b>				Pct Points		Pct Points	
Usually full-time	82.3%	82.2%	82.2%	0.0	----	-0.1	----
Usually part-time	17.7%	17.8%	17.8%	0.0	----	0.1	----
<b>Part-time For Economic Reasons</b>							
At work part-time for economic reasons	658	654	657	3	0.5%	-1	-0.2%
... usually full time, at work part time	219	230	232	2	0.9%	13	5.9%
... usually part time, at work part time	439	424	425	1	0.2%	-14	-3.2%
<b>Percent of Employed (%)</b>				Pct Points		Pct Points	
At work part-time for economic reasons	4.0%	4.0%	4.0%	0.0	----	0.0	----
... usually full time, at work part time	1.3%	1.4%	1.4%	0.0	----	0.1	----
... usually part time, at work part time	2.7%	2.6%	2.6%	0.0	----	-0.1	----

Note: Detail may not add to total due to rounding. In all jobs, full-time is 35 hours or more in all jobs. Part-time is less than 35 hours.

Among those who usually work full-time, working part-time for economic reasons consists mainly of persons citing "slack work", because there is insufficient demand for the employer's goods and services to support more work hours. Among those usually working part-time, the most often stated reason for working part-time for economic reasons was "inability to find full-time work." The number includes those who cite such a reason for working part-time only if the person actually worked part-time during the survey week.

Source: EDD, Labor Market Information Division, BLS Model and Current Population Survey (CPS).

## Persons Not in the Labor Force

### Persons Not in the Labor Force, California

(Number and Percent of Persons Not in the Labor Force, 12-month Moving Average)

DISCOURAGEMENT	YEAR AGO	MONTH AGO	CURRENT	MONTH-OVER CHANGE		YEAR-OVER CHANGE	
	Dec 03	Nov 04	Dec 04	Number	Percent	Number	Percent
	<i>Revised</i>		<i>Preliminary</i>				
<b>Number</b> (1,000s)							
Not in the labor force...	9,030	9,275	9,292	17	0.2%	262	2.9%
... but want a job	729	695	687	-8	-1.2%	-42	-5.8%
... and searched recently	313	296	291	-5	-1.7%	-22	-7.0%
... and available to work	235	216	210	-6	-2.8%	-25	-10.6%
... and discouraged	69	67	65	-2	-3.0%	-4	-5.8%
<b>Percent of NILF (%)</b>							
Want a job	8.1%	7.5%	7.4%	-0.1	----	-0.7	----
... and searched recently	3.5%	3.2%	3.1%	-0.1	----	-0.4	----
... and available to work	2.6%	2.3%	2.3%	0.0	----	-0.3	----
... and discouraged	0.8%	0.7%	0.7%	0.0	----	-0.1	----

Note: "NILF" is "not in the labor force". Detail may not add to total due to rounding. "Searched recently" means in the past 12 months.

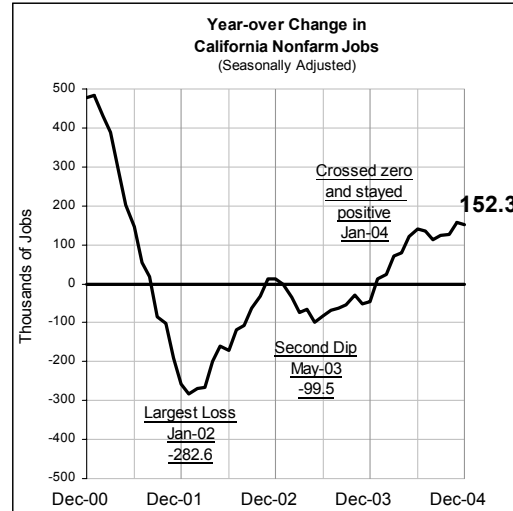
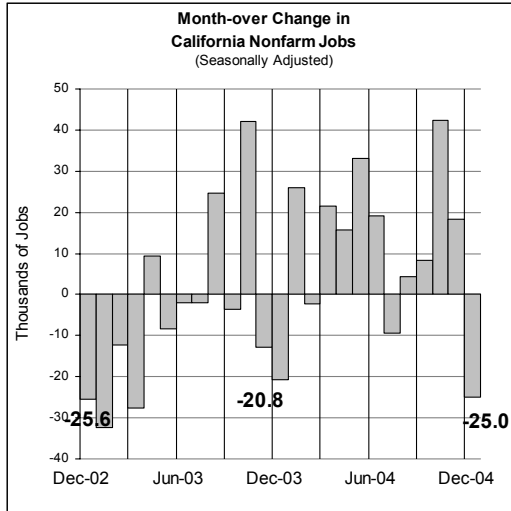
"Discouraged" are, specifically, those persons not currently looking for work because they are discouraged over job prospects.

Source: EDD, Labor Market Information Division, BLS Labor Force Model and Current Population Survey (CPS).

# Nonfarm Payroll Employment

There were 14,568,900 jobs in total nonfarm industries in December, down 25,000 jobs from last month. This followed a 18,300-job gain in November and an 42,400-job gain in October. The December job loss was the third decrease in 2004.

Industry employment data are benchmarked to March 2003 levels.



- California nonfarm businesses added 152,300 jobs to payrolls (1.1 percent) since December 2003.
- Nationwide, nonfarm payrolls were up 157,000 jobs over the month and up 2,231,000 jobs over the year. The rate of year-over increase in California jobs (1.1 percent) was slower than that of the nation (1.7 percent).
- California has gained 92,700 nonfarm payroll jobs (0.6 percent) since the U.S. economic expansion began in December 2001.
- Nonfarm payrolls in California have grown over the past year despite job losses in government, information, and other services. Private sector employment in California, which excludes government, lost 20,800 jobs over the month. Over the last year, California private payroll employment increased by 169,500 jobs (or 1.4 percent).

**California Nonfarm Payroll Employment by Industry Sector**  
(Thousands of Jobs, Seasonally Adjusted)

MAJOR SECTOR	YEAR AGO Dec 03	MONTH AGO Nov 04	CURRENT Dec 04	MONTH-OVER CHANGE		YEAR-OVER CHANGE	
				Number	Percent	Number	Percent
Total Nonfarm	14,416.6	14,593.9	14,568.9	-25.0	-0.2%	152.3	1.1%
Natural Res. & Mining	21.4	21.6	21.7	0.1	0.5%	0.3	1.4%
Construction	799.6	832.3	837.6	5.3	0.6%	38.0	4.8%
Manufacturing	1,527.5	1,530.0	1,530.8	0.8	0.1%	3.3	0.2%
Trade, Transp. & Utilities	2,724.5	2,765.1	2,748.7	-16.4	-0.6%	24.2	0.9%
Information	464.7	470.1	459.3	-10.8	-2.3%	-5.4	-1.2%
Financial Activities	896.8	904.0	906.2	2.2	0.2%	9.4	1.0%
Profess. & Business Serv.	2,133.9	2,195.4	2,199.3	3.9	0.2%	65.4	3.1%
Educational & Health Serv.	1,554.6	1,571.1	1,571.2	0.1	0.0%	16.6	1.1%
Leisure & Hospitality	1,398.4	1,422.7	1,418.5	-4.2	-0.3%	20.1	1.4%
Other Services	503.0	502.4	500.6	-1.8	-0.4%	-2.4	-0.5%
Government	2,392.2	2,379.2	2,375.0	-4.2	-0.2%	-17.2	-0.7%

Data may not add due to rounding.

Source: EDD, Labor Market Information Division, Current Employment Statistics (CES) Program.

# California Labor Force and Job Numbers, most recent 8 months

(Employment and Unemployment, Thousands of Persons)  
(Nonfarm Payroll Employment, Thousands of Jobs)

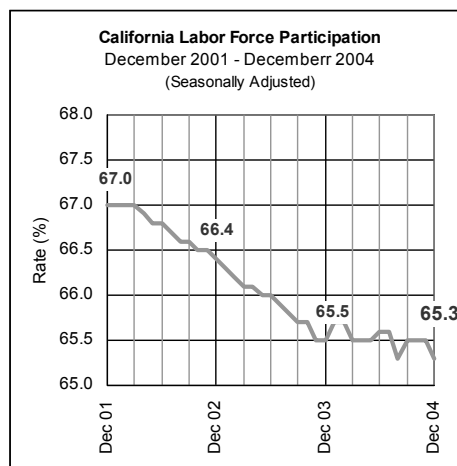
	May 04	Jun 04	Jul 04	Aug 04	Sep 04	Oct 04	Nov 04	Dec 04
<b>Not Seasonally Adjusted</b>								
Working-aged Population	26,885	26,924	26,963	27,004	27,046	27,087	27,125	27,162
Labor force	17,511	17,683	17,850	17,758	17,712	17,829	17,801	17,684
Employment	16,476	16,555	16,679	16,731	16,698	16,821	16,786	16,725
Unemployment	1,035	1,128	1,171	1,027	1,014	1,008	1,015	959
Unemployment Rate	5.9	6.4	6.6	5.8	5.7	5.7	5.7	5.4
LF Participation Rate	65.1	65.7	66.2	65.8	65.5	65.8	65.6	65.1
Total Nonfarm	14,545.7	14,600.3	14,454.3	14,462.4	14,542.3	14,633.2	14,690.6	14,694.5
Total Private	12,114.1	12,170.9	12,153.5	12,187.4	12,202.4	12,240.6	12,281.7	12,295.3
Natural Resources and Mining	21.9	22.4	23.0	22.8	22.8	22.5	22.0	21.7
Construction	811.6	829.0	833.6	848.8	851.0	847.5	839.1	830.5
Manufacturing	1,527.9	1,536.2	1,541.9	1,550.2	1,545.0	1,532.1	1,525.6	1,524.5
Trade, Transportation and Utilities	2,726.9	2,743.4	2,739.4	2,739.0	2,745.9	2,761.9	2,816.3	2,839.7
Information	468.4	464.0	454.3	460.3	451.2	461.8	470.1	459.3
Financial Activities	900.1	902.8	900.2	901.3	902.4	902.9	904.0	906.2
Professional and Business Services	2,159.9	2,170.4	2,174.4	2,181.7	2,196.1	2,212.0	2,206.4	2,213.2
Educational and Health Services	1,569.8	1,554.9	1,540.7	1,538.0	1,558.6	1,580.9	1,584.8	1,583.8
Leisure and Hospitality	1,421.7	1,439.8	1,443.4	1,443.6	1,428.0	1,416.8	1,410.7	1,415.4
Other Services	505.9	508.0	502.6	501.7	501.4	502.2	502.7	501.0
Government	2,431.6	2,429.4	2,300.8	2,275.0	2,339.9	2,392.6	2,408.9	2,399.2
<b>Seasonally Adjusted</b>								
Working-aged Population	26,885	26,924	26,963	27,004	27,046	27,087	27,125	27,162
Labor force	17,619	17,659	17,685	17,647	17,708	17,751	17,777	17,745
Employment	16,514	16,541	16,587	16,610	16,648	16,718	16,745	16,723
Unemployment	1,105	1,118	1,098	1,037	1,060	1,033	1,032	1,022
Unemployment Rate	6.3	6.3	6.2	5.9	6.0	5.8	5.8	5.8
LF Participation Rate	65.5	65.6	65.6	65.3	65.5	65.5	65.5	65.3
Total Nonfarm	14,510.8	14,529.9	14,520.6	14,524.9	14,533.2	14,575.6	14,593.9	14,568.9
Total Private	12,126.6	12,138.3	12,125.4	12,133.7	12,143.1	12,194.0	12,214.7	12,193.9
Natural Resources and Mining	22.2	22.3	22.6	22.1	22.1	21.9	21.6	21.7
Construction	814.4	817.3	814.2	819.7	825.2	827.5	832.3	837.6
Manufacturing	1,529.1	1,530.5	1,534.4	1,530.6	1,528.5	1,530.4	1,530.0	1,530.8
Trade, Transportation and Utilities	2,748.1	2,752.5	2,747.1	2,743.1	2,745.9	2,755.0	2,765.1	2,748.7
Information	468.4	464.0	454.3	460.3	451.2	461.8	470.1	459.3
Financial Activities	900.1	902.8	900.2	901.3	902.4	902.9	904.0	906.2
Professional and Business Services	2,164.4	2,161.5	2,167.2	2,171.1	2,188.2	2,203.0	2,195.4	2,199.3
Educational and Health Services	1,562.5	1,563.7	1,564.0	1,563.8	1,563.3	1,568.8	1,571.1	1,571.2
Leisure and Hospitality	1,411.8	1,417.4	1,417.9	1,418.9	1,414.6	1,421.2	1,422.7	1,418.5
Other Services	505.6	506.3	503.5	502.8	501.7	501.5	502.4	500.6
Government	2,384.2	2,391.6	2,395.2	2,391.2	2,390.1	2,381.6	2,379.2	2,375.0

Data for current month are preliminary.

Source: EDD, Labor Market Information Division, Current Economic Statistics Group.

## Labor Force Participation Rates

California's labor force participation rate (LFPR) has remained below 66 percent since July 2003. Although this figure is subject to revision, labor force participation in California is at its lowest level since May 1996. California's LFPR in December 2004 is 0.2 percentage point lower than the November 2004 LFPR.





## Little Change for Manufacturing Payrolls and Hours and Earnings

On a seasonally adjusted basis, manufacturing payrolls gained 800 jobs in December, following a loss of 400 jobs in November.

On an unadjusted basis, manufacturing lost 1,100 jobs in December. The December drop followed a 6,500-job drop in November. Durable goods increased 1,300 jobs in December, following a 800-job decrease in November. Nondurable goods decreased 2,400 jobs in December, following seasonal decreases in November, October and September. Of the 21 industries in manufacturing, nine showed month-over increases, nine decreased, and three showed no change in employment. The largest job losses were in apparel manufacturing with a loss of 1,000 jobs, and in food manufacturing and beverage and tobacco products losing 900 seasonal jobs each. Over the year, manufacturing grew by 3,300 jobs.

Manufacturing earnings saw little change in December. Average hourly earnings for California production workers in manufacturing were \$15.61 in December. Average weekly earnings were up slightly to \$630.64, an increase of \$7.94 from November. Average weekly hours increased to 40.4 hours from 40.2 hours, and average weekly overtime hours were unchanged from November at 4.6 hours.

CALIFORNIA HOURS AND EARNINGS IN MANUFACTURING PRODUCTION WORKERS IN MANUFACTURING													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVG
AVERAGE WEEKLY HOURS IN MANUFACTURING													
2001	39.4	39.8	39.8	39.2	39.5	39.4	39.2	39.7	39.9	39.6	39.4	40.0	39.6
2002	38.5	39.1	39.8	39.6	39.5	40.0	39.0	39.9	40.2	39.8	40.0	40.4	39.6
2003	39.1	39.5	39.6	39.4	39.7	40.0	39.2	39.7	39.8	39.8	40.5	40.1	39.7
2004	39.5	39.9	40.1	39.7	40.3	40.0	39.9	40.3	39.6	39.9	40.2	40.4	40.0
AVERAGE HOURLY EARNINGS IN MANUFACTURING													
2001	14.50	14.47	14.48	14.56	14.59	14.72	14.85	14.76	14.80	14.78	14.84	14.99	14.69
2002	15.02	14.94	14.87	14.89	14.85	14.89	14.86	14.76	14.80	14.79	14.93	15.12	14.89
2003	15.02	14.97	14.97	14.92	14.95	15.03	15.10	15.05	15.07	15.05	15.15	15.26	15.05
2004	15.26	15.22	15.22	15.32	15.35	15.37	15.37	15.29	15.42	15.42	15.49	15.61	15.36
AVERAGE WEEKLY EARNINGS IN MANUFACTURING													
2001	571.30	575.91	576.30	570.75	576.31	579.97	582.12	585.97	590.52	585.29	584.70	599.60	581.72
2002	578.27	584.15	591.83	589.64	586.58	595.60	579.54	588.92	594.96	588.64	597.20	610.85	589.64
2003	587.28	591.32	592.81	587.85	593.52	601.20	591.92	597.49	599.79	598.99	613.58	611.93	597.49
2004	602.77	607.28	610.32	608.20	618.61	614.80	613.26	616.19	610.63	615.26	622.70	630.64	614.40
AVERAGE WEEKLY OVERTIME HOURS IN MANUFACTURING													
2001	3.9	3.8	3.9	3.3	3.6	3.8	3.7	4.1	4.2	3.9	3.8	4.0	3.8
2002	3.6	3.6	4.0	3.9	3.9	4.1	3.9	4.2	4.2	3.9	4.1	4.2	4.0
2003	3.7	3.6	3.6	3.5	3.6	3.7	3.8	4.0	4.2	3.9	4.3	4.2	3.8
2004	3.8	3.8	4.1	4.2	4.4	4.2	4.4	4.4	4.3	4.3	4.6	4.6	4.2

NOTE: Hours and earnings data for 2002 and 2003 have been revised and are based on the March 2003 Benchmark.

NOTE: Beginning with the January 2003 data release, industry classification will be based on the North American Industry Classification System (NAICS). Hours and Earnings data will be available for manufacturing industries only for 2001 and later years. The historical data based on the Standard Industrial Classification is provided at our website <http://www.calmis.ca.gov> for research purposes only. These data will not be updated. The NAICS and SIC data are NOT comparable.

NOTE: Annual averages for average hours and average overtime hours worked per week, and average hourly earnings are weighted values; however, annual averages for average weekly earnings are the product of average hourly earnings and average hours worked per week.

SOURCE: EDD, Labor Market Information Division, Current Economic Statistics Group.

### Hours and Earnings at a Glance

Average Weekly Earnings			Average Hours Per Week			Average Hourly Earnings		
DEC 2003	NOV 2004	DEC 2004	DEC 2003	NOV 2004	DEC 2004	DEC 2003	NOV 2004	DEC 2004
\$611.93	\$622.70	\$630.64	40.1	40.2	40.4	\$15.26	\$15.49	\$15.61

\*Average hours and earnings are based upon data for full-time and part-time production and related workers in manufacturing industries. Average gross weekly and hourly earnings include overtime pay and premium wages for late-shift work. These are not wage rates but are averages of gross earnings. Data are preliminary and are subject to change.



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## Five Industry Sectors Lost Jobs, Six Gained in December

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Within nonfarm industries, six sectors saw month-over job gains, and five sectors saw month-over job declines. Sectors with increased employment, in order of job gain, were: construction (5,300); professional and business services (3,900); financial activities (2,200); manufacturing (800); educational and health services (100); and natural resources and mining (100). Sectors with decreased employment included other services (1,800); government (4,200); leisure and hospitality (4,200); information (10,800); and transportation and utilities (16,400). (See the chart on next page.)

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### Industry Sector Highlights

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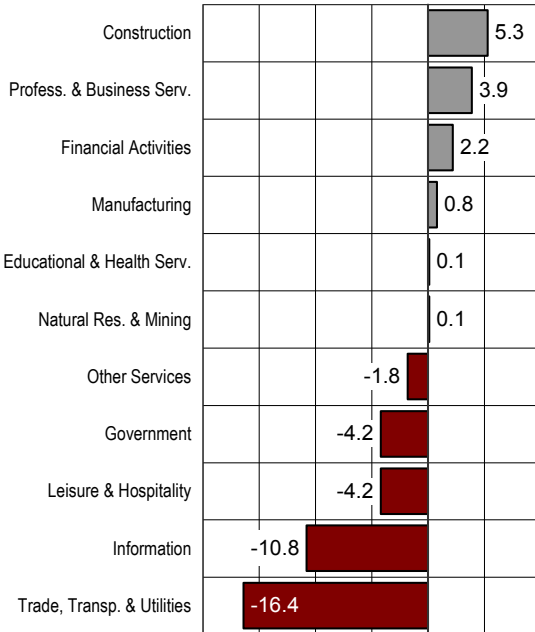
- Natural resources and mining payrolls gained 100 jobs in December. This followed a 300-job loss in November. Over the year, sector employment was up by 300 jobs (1.4 percent).
- Construction payrolls gained 5,300 jobs in December. Over the year, sector employment was up 38,000 jobs (4.8 percent). The year-over growth rate was the highest among sectors.
- Manufacturing payrolls gained 800 jobs in December. This followed a loss of 400 jobs in November and a gain of 1,900 jobs in October. Over the year, sector employment was up by 3,300 jobs (0.2 percent).
- Trade, transportation, and utilities payrolls decreased 16,400 jobs in December. This followed increases of 10,100 jobs in November and 9,100-jobs in October. Over the year, sector employment was up 24,200 jobs (0.9 percent).
- Information services payrolls decreased 10,800 jobs in December. This followed gains of 8,300 jobs in November and 10,600 jobs in October. Over the year, sector employment was down by 5,400 jobs (-1.2 percent).
- Financial activities payrolls gained 2,200 jobs in December. This followed gains of 1,100 jobs in November and 500 jobs in October. Over the year, sector employment was up by 9,400 jobs (1.0 percent).
- Professional and business services payrolls increased 3,900 jobs in December, after losing 7,600 jobs in November. Over the year, sector employment was up by 65,400 jobs (3.1 percent). This was the largest absolute year-over job increase among sectors.
- Educational and health services payrolls added 100 jobs in December, after adding 2,300 jobs in November. Over the year, sector employment was up by 16,600 jobs (1.1 percent).
- Leisure and hospitality payrolls decreased 4,200 jobs in December. This followed increases of 1,500 jobs in November and 6,600 jobs in October. Over the year, sector employment was up by 20,100 jobs (1.4 percent).
- Other services payrolls lost 1,800 jobs in December. This followed an increase of 900 jobs in November and a 200-job loss in October. Over the year, sector employment was down by 2,400 jobs (-0.5 percent).
- Government payrolls decreased 4,200 jobs in December. This followed losses of 2,400 jobs in November and 8,500 jobs in October. Over the year, sector employment was down 17,200 jobs (-0.7 percent). This was the largest absolute year-over job loss among sectors.

# Comparisons of Job Growth in California Industry Sectors

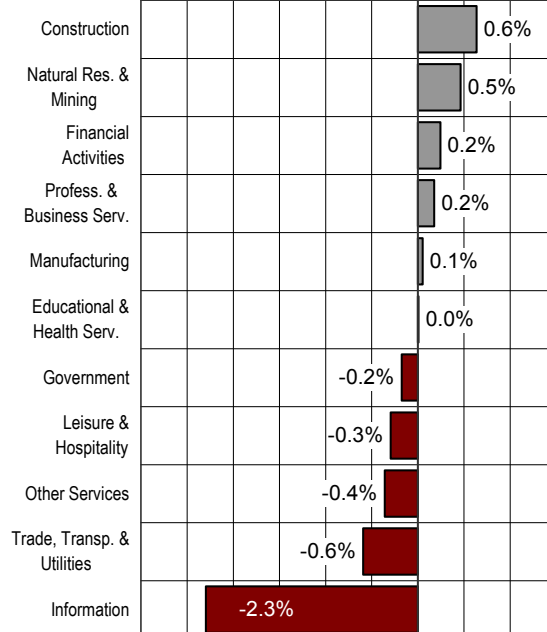
(Seasonally Adjusted, December 2004)

## MONTH-OVER CHANGE

### Thousands of Jobs

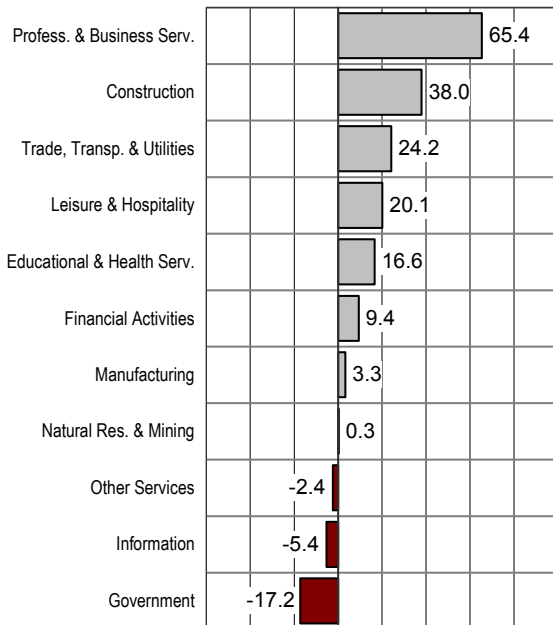


### Percent Change

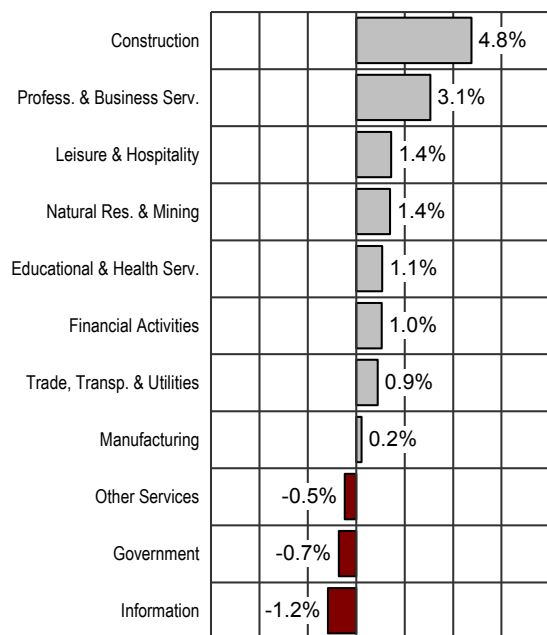


## YEAR-OVER CHANGE

### Thousands of Jobs

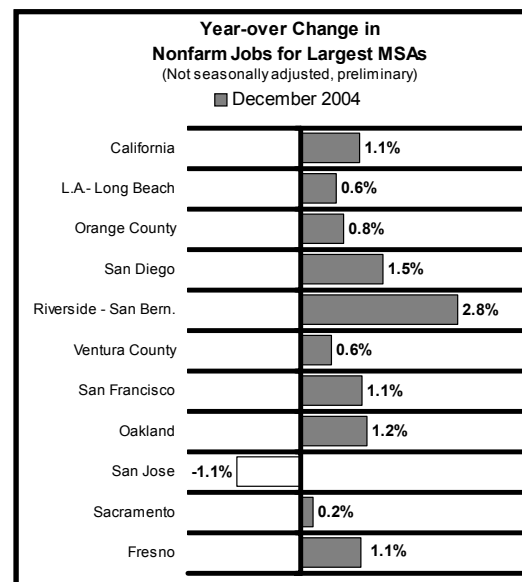
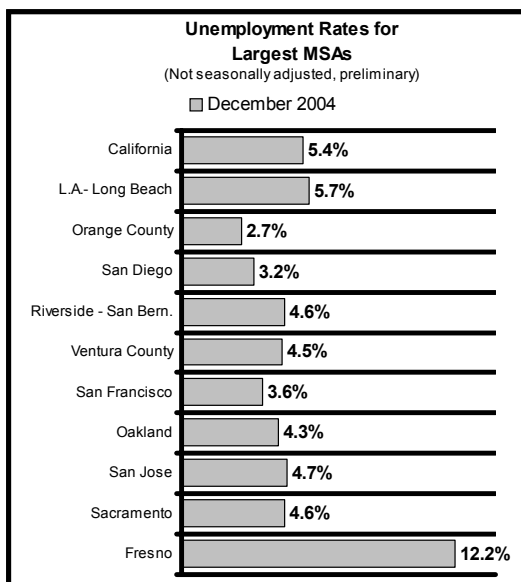


### Percent Change



## California Area Trends

- The lowest unemployment rate among California counties in December was 2.4 percent in Marin County. Other counties with rates below 4.0 percent in December were Orange, San Mateo, San Luis Obispo, San Diego, Sonoma, Placer, and Nevada. In all, 26 counties had rates below 6.0 percent. The highest unemployment rate in December was 26.3 percent in Colusa County. In total, 17 counties had rates above 10 percent. The comparable, not seasonally adjusted California rate was 5.4 percent in December.
- Unemployment rates fell over the month in 29 counties, rose in 21 counties, and were unchanged in eight counties. The largest drop was 3.7 percentage points in Imperial County. The comparable statewide, not seasonally adjusted rate was down 0.3 percentage point from November.
- Unemployment rates decreased over the year in 51 counties, including 32 in which the rate fell by more than one-half a percentage point. The largest rate decline was in Alpine County (down 3.3 percentage points to 5.2 percent). Unemployment rates rose over the year in 6 counties. The largest jump was in Imperial County (up 1.2 percentage points to 19.7 percent). The statewide, not seasonally adjusted rate declined 0.8 percentage point from December 2003 to December 2004.
- Seventeen of California's 49 Metropolitan Statistical Areas (MSA) plus counties not in MSAs recorded month-over increases in nonfarm payrolls, led by the Orange County with 4,200 jobs. Twenty-eight areas recorded employment losses over the month, with the largest loss occurring in the Los Angeles-Long Beach MSA (down 5,100 jobs).
- Thirty-seven areas recorded year-over employment gains, with 25 recording job growth of 1.0 percent or more. In absolute numbers, the largest year-over job gains were in the Riverside-San Bernardino MSA (up 30,900 jobs). Twelve areas recorded year-over job losses, with the largest loss occurring in the San Jose MSA (down 9,600 jobs).
- Among the 10 California MSAs with more than 250,000 nonfarm jobs, unemployment rates varied from a low of 2.7 percent in the Orange County MSA to a high of 12.2 percent in the Fresno MSA. Rates of year-over job growth ranged from -1.1 percent in the San Jose MSA to 2.8 percent in the Riverside-San Bernardino MSA. (See charts below.)



# Nonfarm Payroll Employment by California Area

(Number of Jobs, Not Seasonally Adjusted)

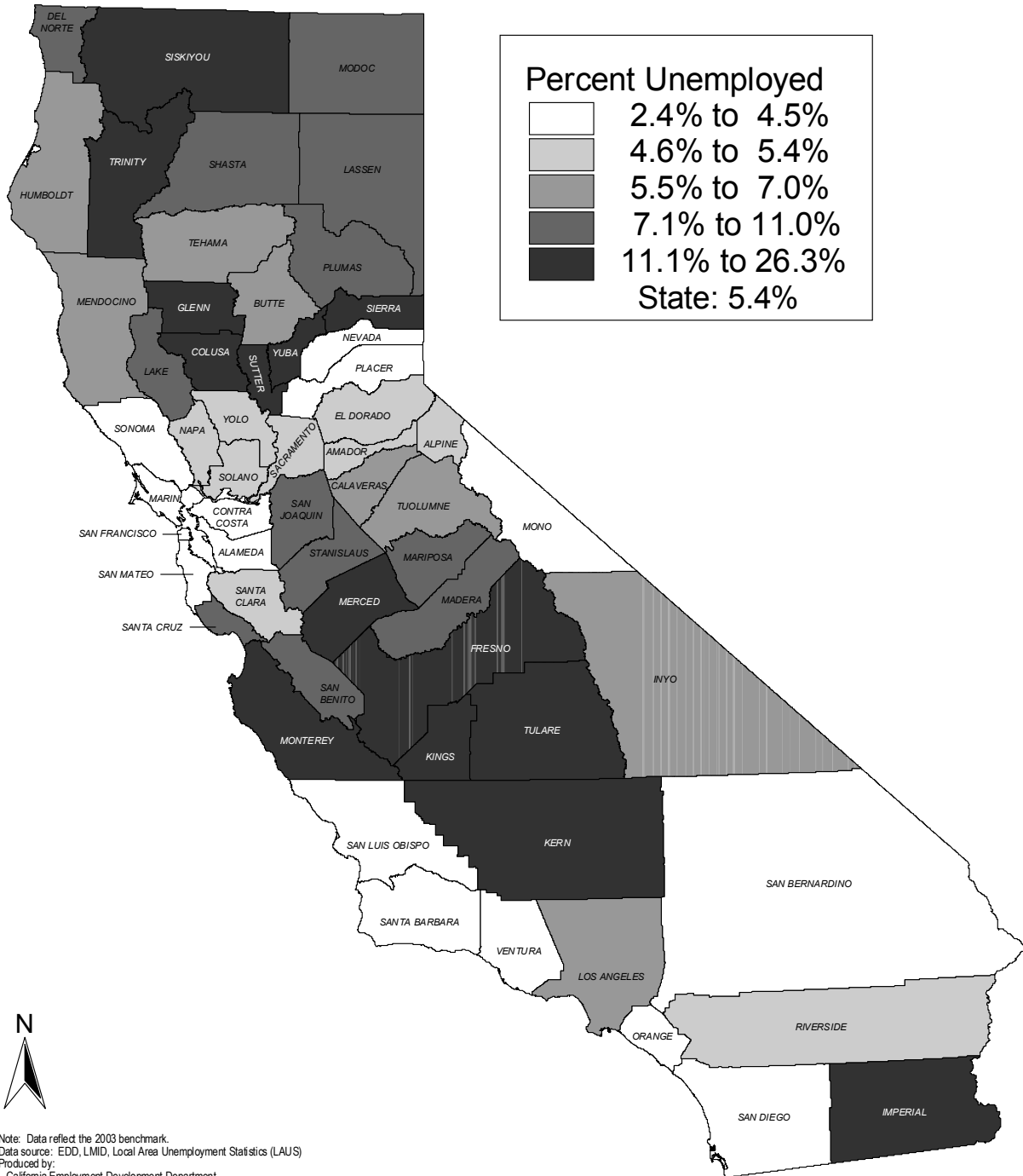
AREA	YEAR AGO	MONTH AGO	CURRENT	MONTH-OVER CHANGE		YEAR-OVER CHANGE		RANK BY
	Dec 03	Nov 04	Dec 04	Number	Percent	Number	Percent	Yr Over Pct
		<i>Revised</i>	<i>Preliminary</i>					
Statewide	14,541,600	14,690,600	14,694,500	3,900	0.0%	152,900	1.1%	
Sum of Areas	14,182,830	14,305,700	14,310,650	4,950	0.0%	127,820	0.9%	
Alpine County	1,000	850	1,250	400	47.1%	250	25.0%	1
Amador County	11,620	11,750	11,760	10	0.1%	140	1.2%	21
Bakersfield MSA	207,800	211,200	211,600	400	0.2%	3,800	1.8%	11
Butte County	72,500	73,300	73,300	0	0.0%	800	1.1%	23
Calaveras County	8,770	9,000	9,000	0	0.0%	230	2.6%	7
Colusa County	4,890	4,790	4,770	-20	-0.4%	-120	-2.5%	46
Del Norte County	7,400	7,400	7,410	10	0.1%	10	0.1%	37
Fresno MSA	315,200	320,000	318,600	-1,400	-0.4%	3,400	1.1%	25
Glenn County	5,820	5,910	5,910	0	0.0%	90	1.5%	14
Humboldt County	49,600	49,700	49,300	-400	-0.8%	-300	-0.6%	42
Imperial County	41,600	41,600	42,200	600	1.4%	600	1.4%	16
Inyo County	7,540	7,580	7,530	-50	-0.7%	-10	-0.1%	39
Kings County	32,530	32,810	32,970	160	0.5%	440	1.4%	18
Lake County	13,140	13,220	13,080	-140	-1.1%	-60	-0.5%	40
Lassen County	9,930	9,630	9,520	-110	-1.1%	-410	-4.1%	49
Los Angeles-Long Beach MSA	4,017,900	4,048,900	4,043,800	-5,100	-0.1%	25,900	0.6%	31
Mariposa County	4,730	5,110	4,910	-200	-3.9%	180	3.8%	3
Mendocino County	31,170	31,290	31,250	-40	-0.1%	80	0.3%	35
Merced County	56,700	58,700	58,700	0	0.0%	2,000	3.5%	4
Modesto MSA	151,300	154,000	153,200	-800	-0.5%	1,900	1.3%	20
Modoc County	2,670	2,740	2,690	-50	-1.8%	20	0.7%	29
Mono County	7,620	7,350	8,460	1,110	15.1%	840	11.0%	2
Nevada County	28,570	28,970	28,810	-160	-0.6%	240	0.8%	27
Oakland MSA	1,026,400	1,036,900	1,038,600	1,700	0.2%	12,200	1.2%	22
Orange County MSA	1,444,300	1,451,100	1,455,300	4,200	0.3%	11,000	0.8%	28
Plumas County	7,090	7,420	7,190	-230	-3.1%	100	1.4%	17
Riverside-San Bernardino MSA	1,103,000	1,130,100	1,133,900	3,800	0.3%	30,900	2.8%	5
Sacramento MSA	758,900	759,600	760,600	1,000	0.1%	1,700	0.2%	36
Salinas MSA	129,700	128,800	128,200	-600	-0.5%	-1,500	-1.2%	45
San Benito County	13,280	13,520	13,490	-30	-0.2%	210	1.6%	13
San Diego MSA	1,256,100	1,272,100	1,274,600	2,500	0.2%	18,500	1.5%	15
San Francisco MSA	951,300	959,700	961,700	2,000	0.2%	10,400	1.1%	24
San Jose MSA	848,500	839,200	838,900	-300	0.0%	-9,600	-1.1%	44
San Luis Obispo County	97,500	98,100	98,400	300	0.3%	900	0.9%	26
Santa Barbara MSA	167,700	171,700	170,900	-800	-0.5%	3,200	1.9%	10
Santa Cruz-Watsonville MSA	91,500	93,000	92,000	-1,000	-1.1%	500	0.5%	33
Santa Rosa MSA	179,800	182,700	182,200	-500	-0.3%	2,400	1.3%	19
Shasta County	65,300	65,600	65,500	-100	-0.2%	200	0.3%	34
Sierra County	750	830	770	-60	-7.2%	20	2.7%	6
Siskiyou County	13,020	13,040	13,010	-30	-0.2%	-10	-0.1%	38
Stockton-Lodi MSA	199,500	204,100	203,400	-700	-0.3%	3,900	2.0%	9
Tehama County	16,360	16,140	15,760	-380	-2.4%	-600	-3.7%	47
Trinity County	3,080	3,190	3,060	-130	-4.1%	-20	-0.6%	43
Tulare County	104,600	103,500	104,100	600	0.6%	-500	-0.5%	41
Tuolumne County	17,250	17,560	17,550	-10	-0.1%	300	1.7%	12
Vallejo-Fairfield-Napa MSA	183,000	184,900	184,300	-600	-0.3%	1,300	0.7%	30
Ventura County MSA	285,100	286,600	286,700	100	0.0%	1,600	0.6%	32
Yolo County	92,300	93,800	94,500	700	0.7%	2,200	2.4%	8
Yuba City MSA	37,500	36,700	36,000	-700	-1.9%	-1,500	-4.0%	48

Data may not add to total due to rounding.

Source: EDD, Labor Market Information Division, Current Employment Statistics (CES) Program.

# County Unemployment Rates

December 2004 (Preliminary, Not Seasonally Adjusted)



Note: Data reflect the 2003 benchmark.  
 Data source: EDD, LMID, Local Area Unemployment Statistics (LAUS)  
 Produced by:  
 California Employment Development Department  
 Labor Market Information Division  
 Data Analysis and Support Unit  
 January 2005

**MONTHLY CIVILIAN LABOR FORCE DATA FOR COUNTIES**  
**DECEMBER 2004 (Preliminary), NOVEMBER 2004 and DECEMBER 2003 (Revised); Not Seasonally Adjusted**  
**2003 Benchmark**

AREA / COUNTY	RANK	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE (%)	NOV 2004 Month-Ago	DEC 2003 Year-Ago
<b>CALIFORNIA</b>		<b>17,684,000</b>	<b>16,724,600</b>	<b>959,500</b>	<b>5.4%</b>	<b>5.7%</b>	<b>6.2%</b>
ALAMEDA	11	751,000	717,000	34,000	4.5%	5.0%	5.6%
ALPINE	24	620	580	30	5.2%	7.7%	8.5%
AMADOR	17	15,680	14,940	740	4.7%	4.6%	4.8%
BUTTE	32	92,700	86,200	6,500	7.0%	7.0%	7.9%
CALAVERAS	30	17,330	16,160	1,170	6.8%	6.9%	7.7%
COLUSA	58	8,330	6,140	2,190	26.3%	23.0%	25.3%
CONTRA COSTA	9	522,400	501,400	21,000	4.0%	4.4%	4.8%
DEL NORTE	33	9,660	8,970	700	7.2%	8.2%	7.7%
EL DORADO	16	83,900	80,000	3,800	4.6%	4.7%	5.3%
FRESNO	49	393,100	344,400	48,700	12.4%	12.6%	13.8%
GLENN	47	9,810	8,640	1,180	12.0%	10.9%	13.0%
HUMBOLDT	25	60,700	57,400	3,300	5.5%	5.5%	5.9%
IMPERIAL	57	60,300	48,500	11,900	19.7%	23.4%	18.5%
INYO	27	7,200	6,770	430	6.0%	6.1%	6.5%
KERN	46	305,100	268,900	36,200	11.9%	11.9%	12.7%
KINGS	47	49,880	43,890	5,990	12.0%	12.2%	14.1%
LAKE	40	24,270	22,040	2,230	9.2%	9.3%	10.5%
LASSEN	34	11,260	10,420	840	7.5%	6.0%	6.8%
LOS ANGELES	26	4,872,800	4,597,500	275,300	5.7%	6.0%	6.4%
MADERA	44	56,400	50,200	6,200	11.0%	11.2%	12.5%
MARIN	1	131,200	128,000	3,200	2.4%	2.8%	3.3%
MARIPOSA	37	6,970	6,390	590	8.4%	7.8%	8.5%
MENDOCINO	28	43,770	41,070	2,710	6.2%	6.0%	7.2%
MERCED	54	92,800	80,000	12,800	13.8%	12.9%	14.6%
MODOC	38	4,380	4,010	370	8.5%	7.0%	9.1%
MONO	11	8,800	8,400	400	4.5%	6.2%	4.8%
MONTEREY	50	191,000	166,400	24,600	12.9%	8.5%	13.8%
NAPA	22	71,900	68,300	3,600	5.1%	5.4%	5.4%
NEVADA	8	48,380	46,500	1,880	3.9%	4.0%	4.6%
ORANGE	2	1,607,600	1,564,200	43,400	2.7%	3.0%	3.2%
PLACER	7	143,500	138,000	5,500	3.8%	4.1%	4.3%
PLUMAS	43	10,330	9,220	1,110	10.7%	8.8%	12.7%
RIVERSIDE	20	850,500	809,600	40,900	4.8%	5.4%	5.3%
SACRAMENTO	17	659,000	627,900	31,200	4.7%	5.0%	5.2%
SAN BENITO	39	28,310	25,870	2,440	8.6%	7.9%	9.4%
SAN BERNARDINO	11	905,600	864,900	40,700	4.5%	4.8%	5.1%
SAN DIEGO	5	1,520,900	1,472,800	48,200	3.2%	3.5%	3.6%
SAN FRANCISCO	11	403,600	385,400	18,200	4.5%	5.5%	5.5%
SAN JOAQUIN	41	283,600	257,000	26,600	9.4%	9.4%	10.0%
SAN LUIS OBISPO	4	121,900	118,100	3,800	3.1%	3.1%	3.2%
SAN MATEO	3	372,100	361,000	11,200	3.0%	3.3%	4.1%
SANTA BARBARA	10	216,500	207,700	8,800	4.1%	3.9%	4.3%
SANTA CLARA	17	855,800	816,000	39,800	4.7%	5.1%	6.6%
SANTA CRUZ	36	138,100	126,600	11,500	8.3%	7.3%	9.0%
SHASTA	34	84,300	78,000	6,300	7.5%	7.3%	7.9%
SIERRA	50	1,370	1,190	180	12.9%	11.3%	14.3%
SISKIYOU	45	17,490	15,480	2,020	11.5%	10.2%	11.5%
SOLANO	21	212,800	202,500	10,400	4.9%	5.1%	5.4%
SONOMA	6	259,700	250,300	9,400	3.6%	3.9%	4.4%
STANISLAUS	42	215,800	193,100	22,800	10.5%	10.5%	10.9%
SUTTER	55	35,900	30,800	5,100	14.3%	13.7%	13.8%
TEHAMA	29	26,490	24,750	1,740	6.6%	6.2%	6.7%
TRINITY	53	4,930	4,280	640	13.1%	11.6%	12.9%
TULARE	56	175,500	149,500	25,900	14.8%	14.8%	16.1%
TUOLUMNE	31	23,530	21,910	1,620	6.9%	6.7%	6.8%
VENTURA	11	434,800	415,100	19,700	4.5%	4.9%	5.1%
YOLO	22	101,900	96,700	5,200	5.1%	5.1%	5.6%
YUBA	50	20,500	17,900	2,600	12.9%	12.1%	14.1%

NOTE: Unemployment rates are calculated from unrounded labor force and unemployment level data.

NOTE: The 'RANK' assigned to each county is a whole number based on the ascending order of unemployment rates for the current month (e.g., the county with the lowest unemployment rate is assigned a 'RANK' of 1; conversely, the county with the highest rate is assigned a 'RANK' of 58).

NOTE: Labor force data for all geographic areas for 1990 to 2004 now reflect the March 2003 annual revision (or benchmark) and Census 2000 population controls at the state level. Therefore, labor force data for periods before January 1990 are not comparable with data for January 1990 and later

SOURCE: EDD, Labor Market Information Division, Current Economic Statistics Group.

**CALIFORNIA LABOR MARKET INFORMATION  
AND UNITED STATES UNEMPLOYMENT RATES**  
SEASONALLY ADJUSTED  
(IN THOUSANDS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVG
<b>CALIFORNIA LABOR FORCE</b>													
1995	15,333	15,324	15,307	15,324	15,331	15,351	15,329	15,338	15,361	15,368	15,389	15,383	15,235
1996	15,261	15,290	15,296	15,276	15,300	15,327	15,342	15,389	15,440	15,472	15,518	15,533	15,370
1997	15,583	15,612	15,650	15,707	15,731	15,767	15,807	15,866	15,875	15,909	15,928	15,989	15,785
1998	16,023	16,050	16,064	16,079	16,107	16,125	16,173	16,179	16,212	16,196	16,228	16,220	16,138
1999	16,220	16,236	16,263	16,289	16,311	16,343	16,388	16,408	16,444	16,486	16,521	16,597	16,376
2000	16,645	16,686	16,723	16,796	16,857	16,942	16,920	16,984	17,010	17,012	17,048	17,079	16,892
2001	17,078	17,091	17,114	17,137	17,139	17,162	17,141	17,195	17,204	17,243	17,279	17,276	17,172
2002	17,306	17,343	17,353	17,359	17,352	17,375	17,389	17,375	17,393	17,417	17,432	17,418	17,376
2003	17,431	17,429	17,429	17,446	17,440	17,463	17,474	17,471	17,465	17,505	17,480	17,487	17,460
2004	17,577	17,588	17,561	17,573	17,619	17,659	17,685	17,647	17,693	17,751	17,777	17,745	17,655
<b>CALIFORNIA EMPLOYMENT</b>													
1995	14,101	14,134	14,111	14,119	14,111	14,146	14,123	14,139	14,169	14,170	14,169	14,201	14,040
1996	14,104	14,124	14,135	14,137	14,183	14,218	14,241	14,302	14,358	14,399	14,449	14,481	14,261
1997	14,534	14,589	14,646	14,708	14,744	14,779	14,827	14,884	14,890	14,924	14,956	15,016	14,792
1998	15,050	15,072	15,101	15,117	15,144	15,171	15,218	15,219	15,249	15,253	15,291	15,287	15,181
1999	15,307	15,330	15,369	15,408	15,454	15,495	15,554	15,584	15,626	15,670	15,705	15,765	15,522
2000	15,822	15,855	15,878	15,958	16,002	16,075	16,068	16,139	16,180	16,195	16,232	16,273	16,056
2001	16,284	16,284	16,295	16,294	16,271	16,265	16,231	16,240	16,219	16,211	16,205	16,190	16,249
2002	16,187	16,203	16,195	16,198	16,203	16,204	16,217	16,211	16,223	16,244	16,254	16,241	16,215
2003	16,243	16,244	16,249	16,253	16,253	16,275	16,277	16,289	16,295	16,332	16,334	16,347	16,283
2004	16,480	16,485	16,410	16,475	16,514	16,541	16,587	16,610	16,647	16,718	16,745	16,723	16,576
<b>CALIFORNIA UNEMPLOYMENT</b>													
1995	1,232	1,190	1,196	1,205	1,220	1,205	1,206	1,199	1,192	1,198	1,220	1,182	1,195
1996	1,157	1,166	1,161	1,139	1,117	1,109	1,101	1,087	1,082	1,073	1,069	1,052	1,109
1997	1,049	1,023	1,004	999	987	988	980	982	985	985	972	973	994
1998	973	978	963	962	963	954	955	960	963	943	937	933	957
1999	913	906	894	881	857	848	834	824	818	816	816	832	853
2000	823	831	845	838	855	867	852	845	830	817	816	806	836
2001	794	807	819	843	868	897	910	955	985	1,032	1,074	1,086	923
2002	1,119	1,140	1,158	1,161	1,149	1,171	1,172	1,164	1,170	1,173	1,178	1,177	1,161
2003	1,188	1,185	1,180	1,193	1,187	1,188	1,197	1,182	1,170	1,173	1,146	1,140	1,177
2004	1,097	1,103	1,151	1,098	1,105	1,118	1,098	1,037	1,046	1,033	1,032	1,022	1,080
<b>CALIFORNIA UNEMPLOYMENT RATES (%)</b>													
1995	8.0	7.8	7.8	7.9	8.0	7.9	7.9	7.8	7.8	7.8	7.9	7.7	7.8
1996	7.6	7.6	7.6	7.5	7.3	7.2	7.2	7.1	7.0	6.9	6.9	6.8	7.2
1997	6.7	6.6	6.4	6.4	6.3	6.3	6.2	6.2	6.2	6.2	6.1	6.1	6.3
1998	6.1	6.1	6.0	6.0	6.0	5.9	5.9	5.9	5.9	5.8	5.8	5.8	5.9
1999	5.6	5.6	5.5	5.4	5.3	5.2	5.1	5.0	5.0	5.0	4.9	5.0	5.2
2000	4.9	5.0	5.1	5.0	5.1	5.1	5.0	5.0	4.9	4.8	4.8	4.7	4.9
2001	4.6	4.7	4.8	4.9	5.1	5.2	5.3	5.6	5.7	6.0	6.2	6.3	5.4
2002	6.5	6.6	6.7	6.7	6.6	6.7	6.7	6.7	6.7	6.7	6.8	6.8	6.7
2003	6.8	6.8	6.8	6.8	6.8	6.8	6.9	6.8	6.7	6.7	6.6	6.5	6.7
2004	6.2	6.3	6.6	6.2	6.3	6.3	6.2	5.9	5.9	5.8	5.8	5.8	6.1
<b>UNITED STATES UNEMPLOYMENT RATES (%)</b>													
1995	5.6	5.4	5.4	5.8	5.6	5.6	5.7	5.7	5.6	5.5	5.6	5.6	5.6
1996	5.6	5.5	5.5	5.6	5.6	5.3	5.5	5.1	5.2	5.2	5.4	5.4	5.4
1997	5.3	5.2	5.2	5.1	4.9	5.0	4.9	4.8	4.9	4.7	4.6	4.7	4.9
1998	4.6	4.6	4.7	4.4	4.4	4.5	4.6	4.5	4.5	4.5	4.4	4.4	4.5
1999	4.3	4.3	4.2	4.4	4.2	4.3	4.3	4.2	4.2	4.1	4.1	4.1	4.2
2000	4.0	4.1	4.0	3.9	4.1	4.0	4.1	4.1	4.0	3.9	4.0	4.0	4.0
2001	4.2	4.2	4.3	4.5	4.4	4.6	4.6	4.9	5.0	5.4	5.6	5.8	4.7
2002	5.6	5.6	5.7	5.9	5.8	5.8	5.8	5.8	5.7	5.8	5.9	6.0	5.8
2003	5.8	5.9	5.8	6.0	6.1	6.3	6.2	6.1	6.1	6.0	5.9	5.7	6.0
2004	5.6	5.6	5.7	5.6	5.6	5.6	5.5	5.4	5.4	5.5	5.4	5.4	5.5

**NOTE:** The statewide labor force data presented here are derived from BLS-developed, time series regression models and are based on the 2003 Benchmark.

**NOTE:** With implementation of the Current Population Survey (CPS) changes in January 2003 United States labor force data for January 2003 and later are not strictly comparable with prior historical CPS data.

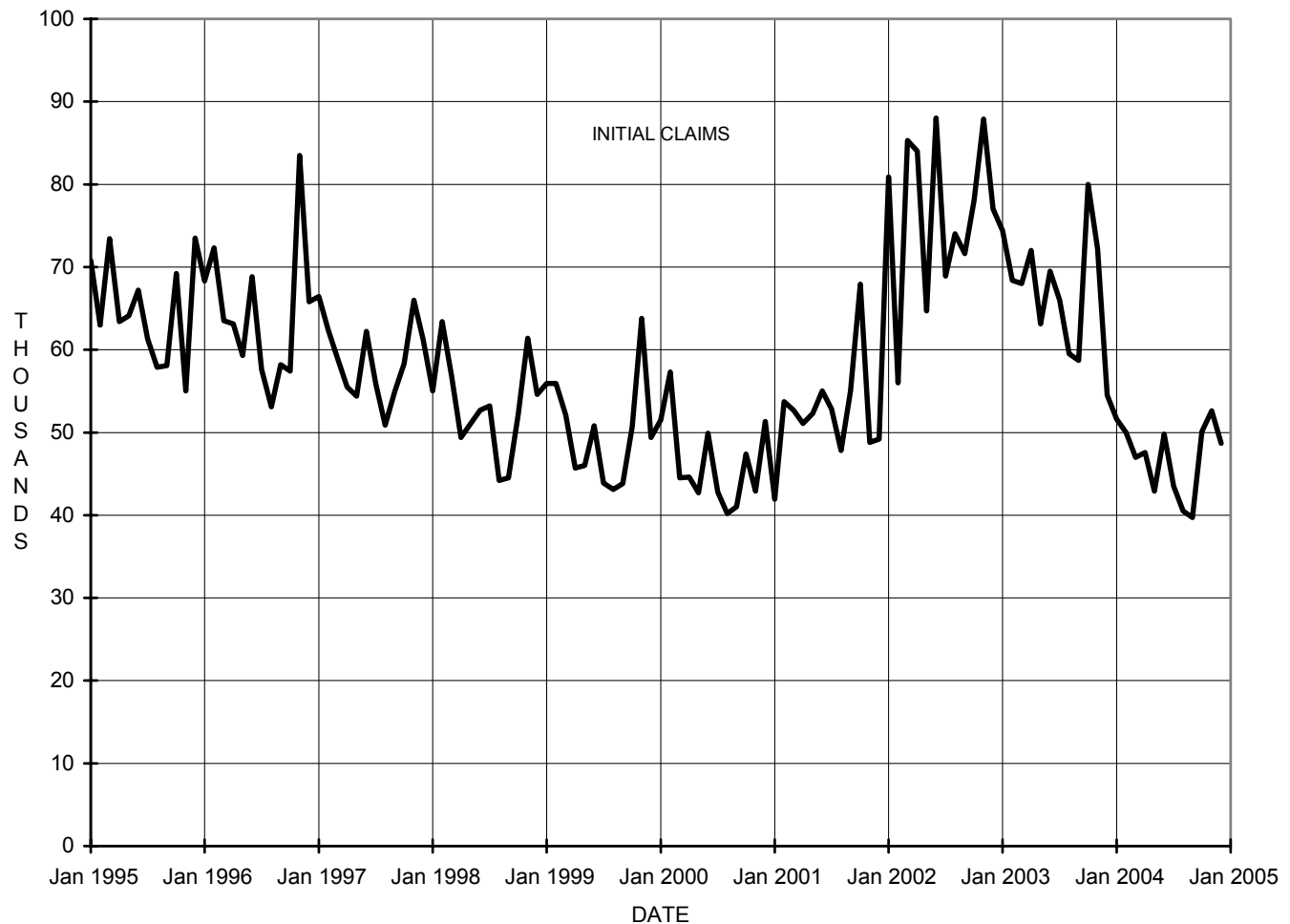
SOURCE: U. S. DEPARTMENT OF LABOR, Bureau of Labor Statistics.



## Fewer Initial Claims in December than in November

**INITIAL CLAIMS FOR UNEMPLOYMENT INSURANCE (U.I.)**  
(FOR THE WEEK INCLUDING THE 19TH OF THE MONTH)  
(IN THOUSANDS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>1995</b>	70.8	63.0	73.4	63.4	64.1	67.2	61.3	57.9	58.1	69.2	55.0	73.5
<b>1996</b>	68.3	72.3	63.5	63.1	59.3	68.8	57.6	57.9	58.2	57.4	83.5	65.8
<b>1997</b>	66.4	62.4	58.9	55.5	54.4	62.2	55.9	50.9	54.9	58.3	66.0	61.2
<b>1998</b>	55.0	63.4	56.8	49.4	51.1	52.7	53.2	44.2	44.5	52.2	61.4	54.6
<b>1999</b>	55.9	55.9	52.1	45.7	46.0	50.8	43.9	43.1	43.8	50.7	63.8	49.4
<b>2000</b>	51.5	57.3	44.5	44.6	42.7	49.9	42.8	40.2	41.0	47.4	42.9	51.3
<b>2001</b>	41.9	53.7	52.7	51.1	52.3	55.0	52.8	47.8	55.0	67.9	48.8	49.2
<b>2002</b>	80.9	56.0	85.3	84.0	64.7	88.0	68.9	74.0	71.6	78.1	87.9	77.0
<b>2003</b>	74.4	68.4	68.0	72.0	63.1	69.5	66.0	59.5	58.7	80.0	72.2	54.5
<b>2004</b>	51.6	50.0	47.0	47.6	42.9	49.8	43.5	40.5	39.7	50.1	52.6	48.7



SOURCE: EDD, Unemployment Insurance Division, Program Analysis and Reporting Unit.

# Weeks Claimed for Unemployment Insurance

## TOTAL WEEKS CLAIMED FOR UNEMPLOYMENT INSURANCE (U.I.) \* (FOR THE WEEK INCLUDING THE 19TH OF THE MONTH) (IN THOUSANDS)

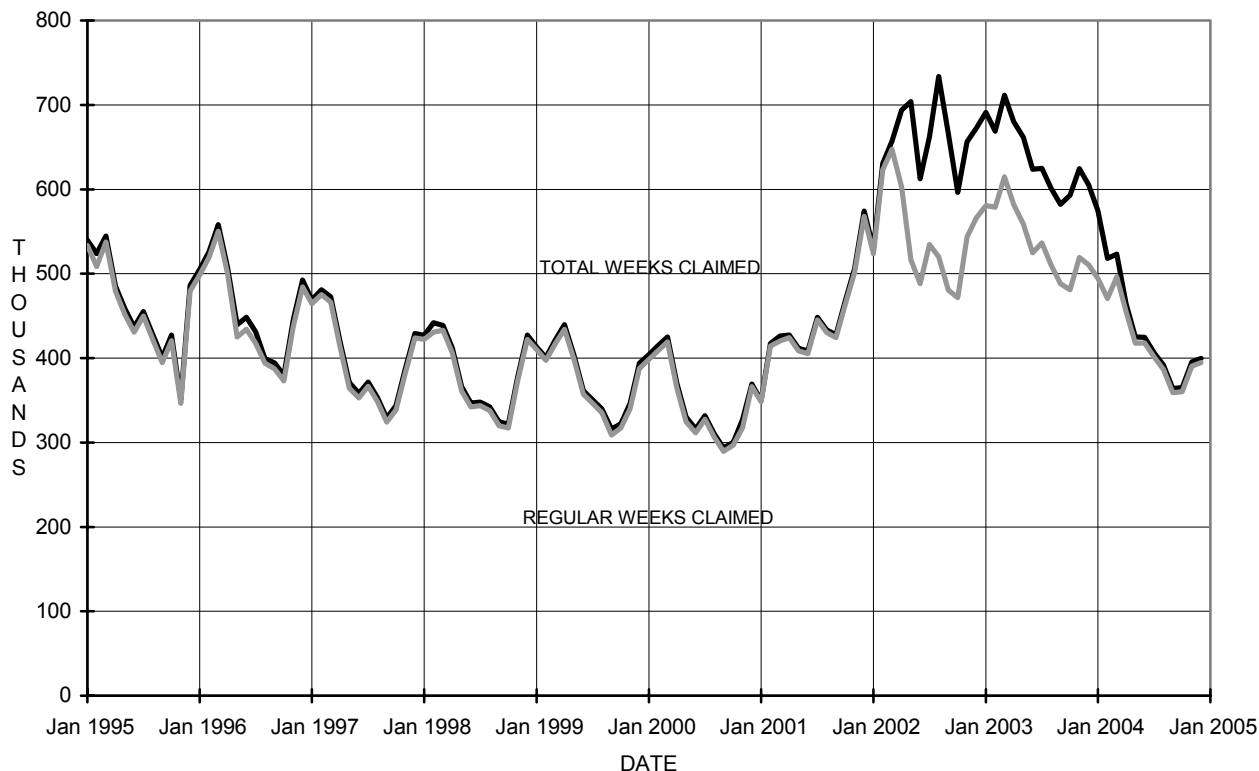
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1995	539.7	524.0	544.6	485.3	458.7	436.7	455.2	427.1	400.7	427.2	351.0	486.3
1996	505.1	525.9	558.0	507.3	439.4	448.4	431.1	399.1	394.1	379.8	445.5	492.4
1997	469.1	481.0	472.6	419.8	371.1	358.2	371.6	353.4	328.9	343.6	389.0	429.3
1998	427.0	441.7	438.8	411.8	366.3	346.8	347.9	341.9	324.3	321.7	378.2	427.1
1999	413.2	400.9	421.3	439.5	403.2	361.4	350.6	339.6	316.2	322.2	346.4	393.8
2000	404.3	415.0	424.9	370.3	330.2	316.0	331.7	310.3	293.2	300.2	327.0	369.5
2001	349.9	417.2	426.0	427.3	411.5	408.4	448.4	433.5	427.7	468.0	505.9	574.1
2002	530.0	630.3	656.9	693.8	703.9	612.6	662.1	733.6	666.3	596.3	656.2	672.2
2003	691.0	668.8	711.3	680.1	661.5	623.5	624.6	601.0	582.2	592.9	624.4	605.0
2004	574.5	518.3	523.1	464.3	424.8	424.6	406.2	391.4	363.8	365.1	395.3	399.7

## REGULAR WEEKS CLAIMED FOR UNEMPLOYMENT INSURANCE (U.I.) \*\* (FOR THE WEEK INCLUDING THE 19TH OF THE MONTH) (IN THOUSANDS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1995	533.6	508.7	537.8	478.9	451.9	430.6	449.7	421.6	394.8	420.8	346.3	479.5
1996	498.6	519.3	550.5	500.0	424.8	434.0	417.6	394.0	387.5	373.2	437.5	484.2
1997	464.4	475.0	466.2	413.6	364.4	352.7	366.5	348.7	324.1	338.6	383.6	423.7
1998	422.1	430.5	432.8	406.0	361.0	342.1	343.6	337.8	320.0	317.2	373.4	422.1
1999	410.0	397.3	416.9	434.3	398.0	356.9	346.3	335.2	308.9	317.0	340.3	387.9
2000	398.4	409.0	419.0	364.7	324.6	311.4	327.4	306.5	289.5	296.7	317.6	366.4
2001	348.1	414.3	420.4	424.3	408.3	405.4	445.3	430.3	424.2	463.7	501.4	567.8
2002	523.4	622.8	647.3	602.7	516.7	488.3	534.5	520.1	480.6	471.9	543.4	566.1
2003	580.6	578.9	614.8	581.6	558.8	524.6	536.7	510.0	488.1	481.0	519.2	510.3
2004	494.5	470.5	496.3	455.4	417.5	418.0	401.1	386.6	358.8	360.2	390.4	394.8

\* Effective December 21, 1991, total weeks claimed includes extended unemployment compensation claims.

\*\* Excludes any special programs.



SOURCE: EDD, Unemployment Insurance Division, Program Analysis and Reporting Unit.

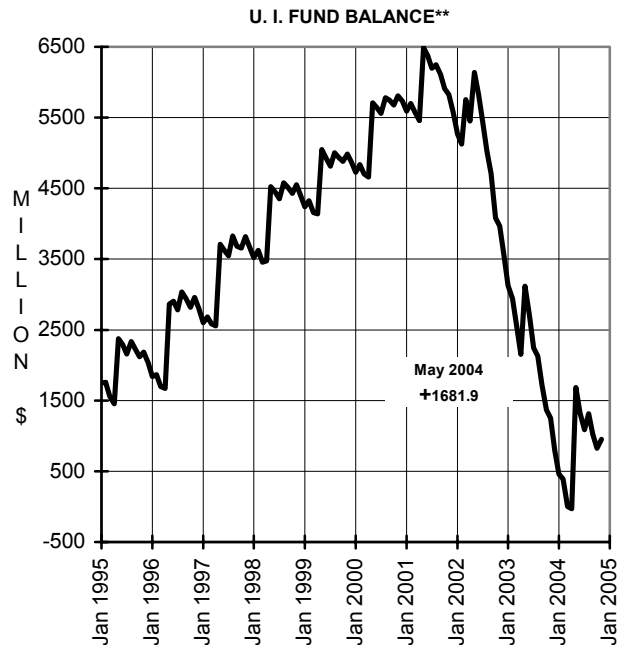
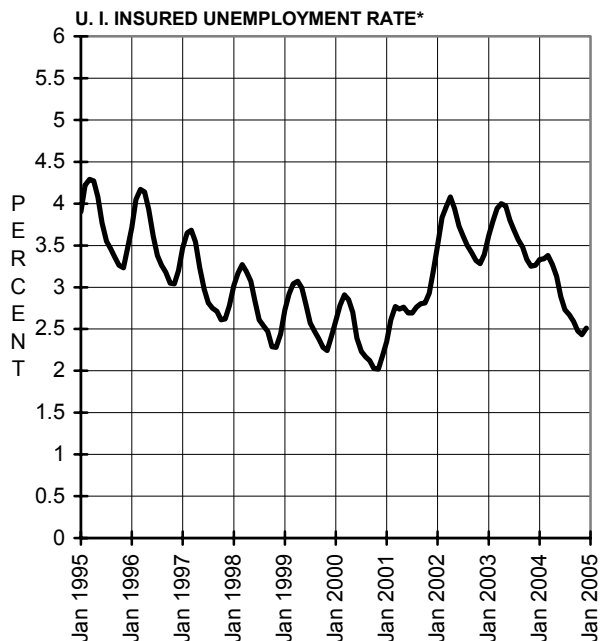
**UNEMPLOYMENT INSURANCE (U. I.) INSURED UNEMPLOYMENT RATE \***  
(EXCLUDING EXTENDED BENEFIT PROGRAMS)  
(IN PERCENT)

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
3.90	4.22	4.29	4.27	4.08	3.77	3.55	3.46	3.36	3.26	3.23	3.47
3.71	4.05	4.17	4.14	3.93	3.61	3.38	3.26	3.18	3.05	3.04	3.20
3.47	3.65	3.68	3.54	3.24	2.98	2.81	2.75	2.71	2.61	2.62	2.78
3.02	3.17	3.27	3.19	3.07	2.83	2.61	2.54	2.47	2.29	2.28	2.44
2.73	2.92	3.04	3.07	2.99	2.79	2.57	2.47	2.38	2.28	2.24	2.42
2.60	2.78	2.91	2.85	2.70	2.39	2.23	2.17	2.12	2.03	2.02	2.18
2.35	2.61	2.77	2.74	2.76	2.69	2.69	2.76	2.80	2.81	2.93	3.20
3.50	3.83	3.96	4.08	3.94	3.73	3.61	3.50	3.41	3.32	3.28	3.39
3.62	3.79	3.94	4.00	3.97	3.80	3.68	3.57	3.48	3.33	3.25	3.26
3.33	3.34	3.38	3.27	3.13	2.89	2.73	2.67	2.59	2.48	2.43	2.51

**UNEMPLOYMENT INSURANCE (U.I.) FUND BALANCE**  
(IN MILLIONS OF DOLLARS)

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1,748.6	1,755.7	1,557.9	1,452.5	2,376.2	2,295.4	2,159.8	2,335.7	2,225.2	2,117.2	2,185.4	2,034.3
1,835.8	1,865.7	1,695.5	1,668.6	2,865.6	2,903.9	2,781.0	3,037.7	2,937.4	2,818.5	2,960.6	2,805.8
2,600.0	2,685.7	2,583.6	2,558.0	3,708.5	3,622.8	3,545.3	3,828.9	3,683.6	3,656.9	3,820.0	3,668.9
3,520.9	3,623.9	3,454.8	3,473.1	4,524.8	4,447.5	4,352.1	4,579.4	4,516.0	4,427.9	4,552.3	4,396.2
4,240.4	4,325.1	4,159.5	4,139.1	5,046.9	4,930.6	4,814.6	5,002.6	4,936.4	4,882.0	4,986.7	4,867.4
4,728.9	4,834.1	4,705.3	4,660.2	5,709.1	5,641.2	5,561.1	5,783.2	5,745.7	5,675.3	5,809.9	5,733.1
5,592.1	5,697.8	5,578.4	5,461.6	6,492.8	6,374.2	6,198.6	6,246.4	6,109.7	5,906.1	5,824.0	5,586.3
5,269.3	5,125.4	5,755.8	5,452.3	6,137.1	5,827.7	5,433.0	5,026.3	4,711.5	4,079.6	3,967.5	3,562.7
3,124.6	2,939.9	2,551.7	2,156.6	3,118.3	2,701.2	2,243.1	2,127.5	1,719.0	1,366.9	1,251.6	794.8
460.0	391.4	(R) -13.1	-27.5	1,681.9	1,322.4	1,087.4	1,313.1	1,017.5	826.5	951.1	#N/A

'R' indicates that data is revised from previously published data. 2. '#N/A' indicates that data are not available at this time.



\* The insured unemployment rate (IUR) is based on a ratio of a 13-week moving average of weeks of unemployment insurance benefits claimed divided by a 12-month moving average of covered employment. This ratio is used to trigger "on" and "off" various state and federal UI benefit extension programs. When the ratio exceeds five percent and has exceeded 120 percent of the average of the rates for the last two years, this triggers the federal extended benefits program to "on." This program allows Individuals to receive additional unemployment benefits when they exhaust their regular benefit awards.

\*\* The disbursements on the UI Fund Table reflect checks issued to claimants. The actual cash balance in the fund at any time is larger than the UI Fund Table Balance, due to the time lag in which these checks are actually redeemed. The UI Fund had a positive cash balance until April 1, 2004, at which point the UI Fund borrowed from the federal government to continue benefit payments to claimants. The UI Fund repaid the loan and regained a positive cash balance on May 4, 2004.

U.I. Insured Unemployment Rate Source: EDD, Unemployment Insurance Division, Program Analysis and Reporting Unit.  
U.I. Fund Balance Source: EDD, Fiscal Programs Division, Accounting Section.

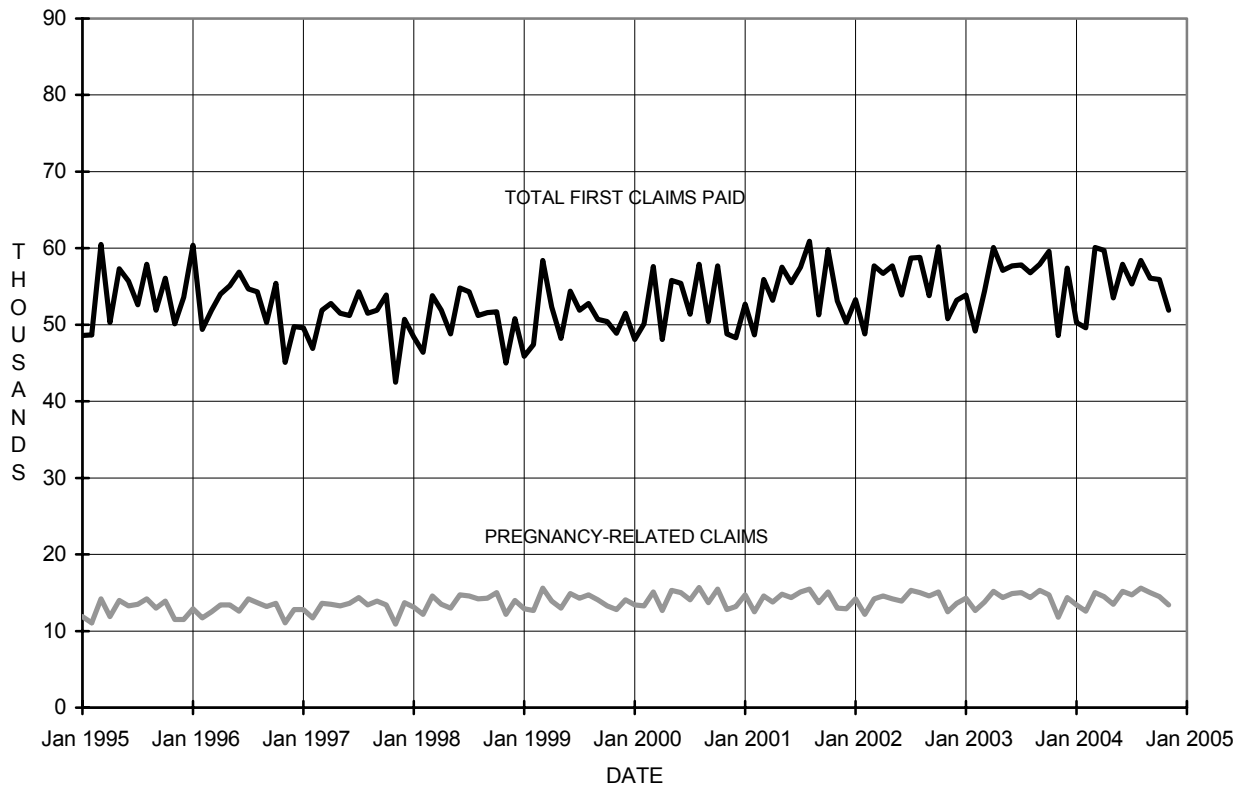
# Disability Insurance Program

## TOTAL FIRST CLAIMS PAID FOR DISABILITY INSURANCE (D.I.) (IN THOUSANDS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1995	48.6	48.7	60.5	50.3	57.3	55.7	52.6	57.9	51.9	56.1	50.1	53.6
1996	60.4	49.4	51.9	54.0	55.1	56.9	54.7	54.3	50.3	55.4	45.1	49.8
1997	49.6	46.9	51.9	52.8	51.5	51.2	54.3	51.5	51.9	53.9	42.5	50.7
1998	48.4	46.4	53.8	51.9	48.8	54.8	54.3	51.2	51.6	51.7	45.0	50.8
1999	45.9	47.4	58.4	52.3	48.2	54.4	51.9	52.8	50.7	50.4	48.9	51.5
2000	48.1	50.1	57.6	48.1	55.8	55.4	51.4	57.9	50.4	57.7	48.8	48.3
2001	52.7	48.7	55.9	53.2	57.5	55.5	57.5	60.9	51.3	59.8	53.1	50.3
2002	53.3	48.8	57.7	56.7	57.7	53.9	58.7	58.8	53.8	60.2	50.8	53.2
2003	53.9	49.2	54.4	60.1	57.1	57.7	57.8	56.8	57.9	59.6	48.6	57.4
2004	50.3	49.6	60.1	59.7	53.5	57.9	55.3	58.4	56.1	55.9	51.9	55.6

## PREGNANCY-RELATED FIRST CLAIMS PAID FOR DISABILITY INSURANCE (D. I.) (IN THOUSANDS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1995	11.9	11.1	14.2	11.9	14.0	13.3	13.5	14.2	13.0	13.9	11.5	11.5
1996	12.9	11.7	12.5	13.4	13.4	12.6	14.2	13.7	13.2	13.6	11.1	12.8
1997	12.8	11.7	13.6	13.5	13.3	13.6	14.4	13.4	13.9	13.4	10.9	13.7
1998	13.1	12.2	14.6	13.5	13.0	14.7	14.6	14.2	14.3	15.0	12.2	14.0
1999	12.9	12.7	15.6	13.9	13.0	14.9	14.3	14.7	14.1	13.3	12.8	14.1
2000	13.4	13.3	15.1	12.7	15.3	15.0	14.1	15.7	13.7	15.5	12.8	13.2
2001	14.7	12.5	14.6	13.8	14.8	14.4	15.1	15.5	13.7	15.1	13.0	12.9
2002	14.2	12.2	14.2	14.6	14.2	13.9	15.3	15.0	14.6	15.1	12.5	13.6
2003	14.3	12.7	13.8	15.2	14.4	14.9	15.0	14.4	15.3	14.7	11.8	14.4
2004	13.4	12.6	15.0	14.5	13.5	15.2	14.7	15.6	15.0	14.5	13.4	14.6

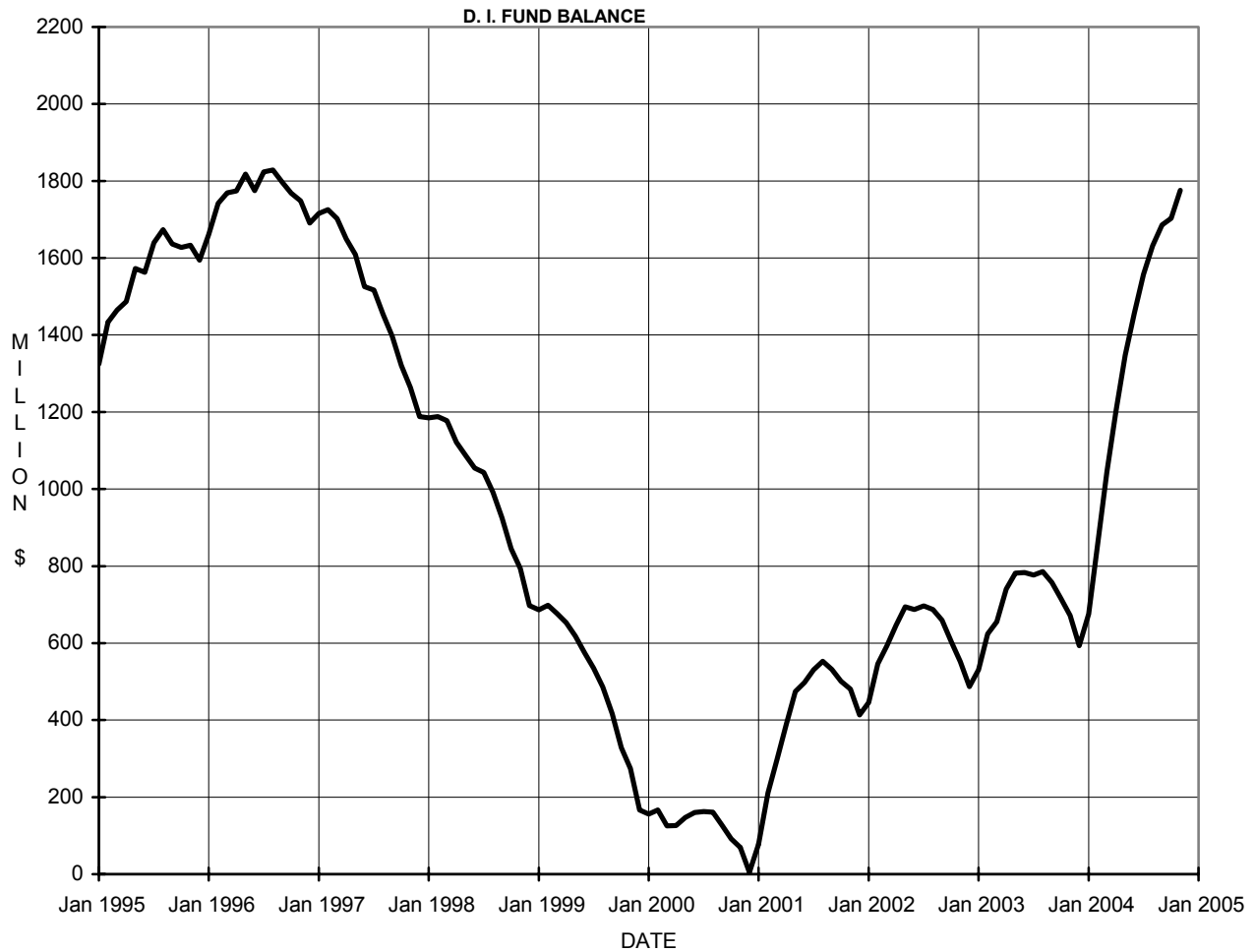


SOURCE: EDD, Disability Insurance Division, Management Information Systems Unit.

**DISABILITY INSURANCE (D.I.) FUND BALANCE**  
(IN MILLIONS OF DOLLARS)

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
<b>1995</b>	1,324.1	1,433.6	1,464.7	1,487.3	1,572.6	1,562.7	1,640.0	1,673.7	1,636.2	1,627.3	1633	1,594.2
<b>1996</b>	1,660.9	1,741.6	1,769.1	1,774.4	1,818.1	1,774.9	1,823.3	1,828.4	1,797.1	1,768.1	1,748.7	1,690.8
<b>1997</b>	1,715.6	1,725.6	1,702.6	1,649.9	1,609.2	1,526.0	1,516.6	1,454.1	1,397.1	1,321.5	1,263.4	1,188.6
<b>1998</b>	1,185.3	1,188.4	1,177.4	1,121.7	1,087.3	1,054.4	1,042.7	991.8	925.3	845.4	793.9	697.4
<b>1999</b>	686.7	698.1	677.0	652.4	618.1	574.9	534.8	486.3	416.7	328.4	274.1	167.1
<b>2000</b>	156.0	167.0	125.1	126.6	146.5	160.1	162.3	160.8	126.9	91.2	69.5	4.6
<b>2001</b>	77.6	210.9	298.9	388.6	474.6	497.7	530.8	552.8	531.4	501.0	480.2	413.7
<b>2002</b>	445.7	546.0	593.1	646.1	694.2	687.5	696.3	687.3	659.1	604.0	551.9	487.0
<b>2003</b>	530.6	624.0	655.3	740.0	781.4	783.2	776.6	785.6	757.4	715.8	671.6	593.0
<b>2004</b>	675.9	859.5	1,045.9	1,204.3	1,347.9	1,456.3	1,557.4	1,631.4	1,686.3	1,703.3	1,775.5	#N/A

**NOTE:** #N/A' indicates that data are not available at this time.



SOURCE: EDD, Fiscal Programs Division, Accounting Section.

## GLOSSARY

**Current Population Survey (CPS) or “Household Survey”.** The monthly survey of households from which are derived estimates of civilian labor force, employment, unemployment, and unemployment rate for Los Angeles County and the Balance of California. The CPS is a stratified random sample conducted by the Bureau of the Census for the Bureau of Labor Statistics (BLS).

**Employment, Civilian.** As measured by the Current Population Survey (CPS), consists of civilian or noninstitutional workers 16 years of age and older who (a) during the survey week, worked as paid employees, or in their own business or farm or profession, or who worked 15 hours or more as unpaid workers in a family enterprise, and (b) were not working but who had jobs or businesses from which they were temporarily absent because of illness, inclement weather, vacation, work stoppage or labor management dispute, or personal reasons, whether or not they were paid for the time-off.

**Hispanic.** An ethnic classification that includes persons of Mexican, Puerto Rican, Cuban, or any other nationality based on the Spanish cultures or languages; persons of Hispanic origin may be of any race.

**Hours of Work.** The number of hours worked during the survey week. Persons who worked at least 35 hours during the survey week are designated as full-time; persons who worked less than 35 hours are considered part-time.

**Labor Force, Civilian.** Those individuals, 16 years of age and older, who were working or actively seeking work during the survey week; also, the aggregation of civilian employment and civilian unemployment.

**Labor Force Participation Rate.** The civilian labor force expressed as a percentage of the civilian noninstitutional population.

**Nonfarm (Nonagricultural) Wage and Salary Employment.** The count of all full-time and part-time employees (including employees on paid vacation or paid sick leave), by industry, who worked in or received compensation from nonfarm establishments for any part of the pay period including the 12<sup>th</sup> of the month; employees involved in labor management disputes are not included. Hours and earnings data by industry are also collected as part of this survey.

**Population, Civilian.** As defined by the Current Population Survey (CPS), includes persons 16 years of age and older who reside in the 50 United States, and are not institutionalized or on active duty in the Armed Forces.

**Race (White, Black, and Other).** The Current Population Survey (CPS) requests the respondent to identify the race of all members of the household, 16 years of age and older. The three racial categories identified on the survey instrument are White, Black, and Other.

**Black** - A racial classification for persons with origins related to any of the black racial groups of Africa.

**Other** -The “Other” racial group includes Asians and Pacific Islanders, as well as native americans such as American Indians and Alaskan Natives.

**White** -A racial classification for persons with origins related to any of the original peoples of Europe, North Africa, or the Middle East.

**Seasonal Adjustment.** The removal of the effects of regular periodic events such as weather conditions, holidays, and school schedules from labor force and payroll employment data. The X-12 ARIMA is the Bureau of Labor Statistics (BLS) recommended seasonal adjustment program used to seasonally adjust these time series data.

**Survey Week.** Refers to the week, each month, that includes the 12<sup>th</sup> during which the Current Population Survey (CPS) is conducted.

**Unemployment, Civilian.** Comprised of noninstitutionalized civilians who did not work but made specific efforts to find a job within the past four weeks and were available for work (except for temporary illness) during the survey week. Also included as unemployed are those who did not work but were available for work and (a) were waiting to be recalled to a job from which they had been laid off or (b) waiting to begin a new job within thirty days. (See also Unemployment, Duration of and Reasons for.)

**Unemployment, Duration of.** The length of time (including the current survey week) during which they have been classified as unemployed and looking for work. For persons on layoff, duration of unemployment represents the number of weeks since the termination of their most recent employment.

**Unemployment, Reasons for.** The unemployed are classified into one of four major groups:

**Job losers** - persons whose employment ended involuntarily and who immediately began looking for work;

**Job leavers** - persons who quit their job or otherwise terminated their employment voluntarily and immediately began looking for work;

**Re-entrants** - persons who worked previously but have been out of the labor force for a period of time before actively seeking work again; and

**New entrants** - persons who are seeking employment for the first time (i.e., they have never previously held a job).

**Unemployment Rate.** The number of unemployed individuals expressed as a percentage of the civilian labor force.

## NOTE TO OUR READERS:

The Employment Development Department's Labor Market Information Division (LMID) collects the labor market information presented in this report on a monthly basis, as an agent for the United States Department of Labor, Bureau of Labor Statistics (BLS).

Information presented is derived from BLS labor force models, Current Population Survey (CPS), Local Area Unemployment Statistics (LAUS), or the Current Employment Statistics (CES) survey.

The CPS measures levels of employment and unemployment through a statewide monthly survey of 4,500 households. This survey collects information on the employment status of each member of these households, 16 years of age and over. **Members of these households who are working at more than one job are counted as employed only once.** The data reflect the county where the person lives.

The CES survey contacts approximately 37,000 businesses in California each month and collects information as to the number of jobs on the payroll for that month. **Individuals who hold more than one job are counted once for each job.** The data reflect the county where the job is located. These data, which present employment by industry division, are commonly referred to as the "establishment survey" or the "wage and salary employment series". Each month the CES Program releases "Preliminary" employment and hours and earnings data for the prior month; also, "Revised" data are published for the month proceeding the prior month. Once LMID and BLS have verified the "Revised" data, they remain unchanged until the new benchmark is completed in March of the following year.

The LAUS county data are estimated using a BLS prescribed multi-step estimation process, incorporating a variety of information including, but not limited to, CES survey data, agricultural employment, and unemployment claims data for local areas. The estimates of county employment/unemployment are adjusted so that all areas add to the statewide total, which is derived from BLS-developed regression models. The data reflect the county where the person lives.

Seasonally adjusted labor force data are depicted in some charts. The seasonal adjustment process is used to remove typical seasonal employment fluctuations from a time series. Seasonal activities, which affect employment, occur at various times throughout the year (e.g., additional hiring by retail stores during the Christmas season).

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